PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

DOCKETING DEPARTMENT

NOTICE OF FILING AND HEARING

DOCKET NO. 2008-142-WS

APPLICATION OF GOAT ISLAND WATER AND SEWER COMPANY, INC. FOR AN INCREASE IN ITS RATES AND CHARGES FOR THE PROVISION OF WATER AND SEWER SERVICES AND FOR APPROVAL OF A MANAGEMENT AGREEMENT

Goat Island Water & Sewer Co., Inc. ("Applicant" or "Company" or "Goat Island") has filed an Application with the Public Service Commission of South Carolina (the Commission) for an increase in the Company's rates and charges for the provision of water and sewer services and for approval of a management agreement.

The Application was filed pursuant to S.C. Code Ann. §58-5-240 and 26 S.C.Code Ann. Regs. 103-512.4.A and 103-712.4.A

The Application reveals that the Applicant proposes to implement an increase in its rates and charges for water, in two phases. **Phase One** would be implemented 30 days after the issuance of a Commission Order. **Phase Two** would be implemented over a five year time frame as the Applicant installs meters for each affected System.

THE PROPOSED SCHEDULE OF RATES AND CHARGES ARE SET FORTH BELOW (The complete rate schedule is available from the Company at the address below and on the Commission's website at www.psc.sc.gov)

AREA 1 WYBOO WATER

Current Water Rates & Revenue Schedule

| Base | Commodity | Average | Average |
|----------|-----------------|-------------|----------|
| Facility | Charge per 1000 | Consumption | Customer |
| Charge | gal | gallons | Bill |
| \$12.00 | \$0.00 | 5,500 | \$12.00 |

Proposed Water Rates & Revenue Schedule – Phase I To Be Implemented 30 Days After Date of Commission Order

| Base | Commodity | Average | Average |
|----------|-----------------|-------------|----------|
| Facility | Charge per 1000 | Consumption | Customer |
| Charge | gal | gallons | Bill |
| \$24.00 | \$0.00 | 5,500 | \$24.00 |

Proposed Water Rates & Revenue Schedule – Phase II

To Be Implemented Over a 5 Year Period – within 12 months of Commission Order

| Base | Commodity | Average | Average |
|----------|-----------------|-------------|----------|
| Facility | Charge per 1000 | Consumption | Customer |
| Charge | gal | gallons | Bill |
| \$23.00 | \$2.50 | 5,500 | \$36.75 |

AREA 2 SIGFIELD WATER DEPARTMENT

Current Water Rates & Revenue Schedule

| Base | Commodity | Average | Average |
|----------|-----------------|-------------|----------|
| Facility | Charge per 1000 | Consumption | Customer |
| Charge | gal | gallons | Bill |
| \$34.00 | \$0.00 | 5,500 | \$34.00 |

Proposed Water Rates & Revenue Schedule – Phase I To Be Implemented 30 Days After Date of Commission Order

| | Base Facility | Commodity Charge per 1000 | Average Consumption | Average Customer |
|---|------------------|------------------------------|------------------------|---------------------|
| | Charge | gal | gallons | Bill |
| ĺ | \$34.00 | \$0.00 | 5,500 | \$34.00 |

Proposed Water Rates & Revenue Schedule – Phase II

To Be Implemented Over a 5 Year Period – within 18 months of Commission Order

| Base Facility | Commodity Charge per 1000 | Average Consumption | Average Customer |
|------------------|------------------------------|------------------------|---------------------|
| Charge | gal | gallons | Bill |
| \$23.00 | \$2.50 | 5,500 | \$36.75 |

AREA 3 E& R Partnership (LMS)

Current Water Rates & Revenue Schedule

| Base | Commodity | Average | Average |
|----------|-----------------|-------------|----------|
| Facility | Charge per 1000 | Consumption | Customer |
| Charge | gal | gallons | Bill |
| \$19.00 | \$0.00 | 5,500 | \$19.00 |

Proposed Water Rates & Revenue Schedule – Phase I To Be Implemented 30 Days After Date of Commission Order

| Base | Commodity | Average | Average |
|----------|-----------------|-------------|----------|
| Facility | Charge per 1000 | Consumption | Customer |
| Charge | gal | gallons | Bill |
| \$30.00 | \$0.00 | 5,500 | \$30.00 |

Proposed Water Rates & Revenue Schedule – Phase II

To Be Implemented Over a 5 Year Period – within 24 months of Commission Order

| Base | Commodity | Average | Average |
|----------|-----------------|-------------|----------|
| Facility | Charge per 1000 | Consumption | Customer |
| Charge | gal | gallons | Bill |
| \$23.00 | \$2.50 | 5,500 | \$36.75 |

AREA 4 E & R PARTNERSHIP (GIN POND)

Current Water Rates & Revenue Schedule

| Base | Commodity | Average | Average |
|-----------------|-----------------|-------------|----------|
| Facility | Charge per 1000 | Consumption | Customer |
| Charge | gal | gallons | Bill |
| \$19.00 | \$0.00 | 5,500 | \$19.00 |

Proposed Water Rates & Revenue Schedule – Phase I To Be Implemented 30 Days After Date of Commission Order

| Base | Commodity | Average | Average |
|----------|-----------------|-------------|----------|
| Facility | Charge per 1000 | Consumption | Customer |
| Charge | gal | gallons | Bill |
| \$30.00 | \$0.00 | 5,500 | \$30.00 |

Proposed Water Rates & Revenue Schedule – Phase II

To Be Implemented Over a 5 Year Period – within 30 months of Commission Order

| Base | Commodity | Average | Average |
|--------------------|------------------------|---------------------|------------------|
| Facility Charge | Charge per 1000 gal | Consumption gallons | Customer Bill |
| \$23.00 | \$2.50 | 5,500 | \$36.75 |

AREA 5 HAYNESWORTH MILL

Current Water Rates & Revenue Schedule

| Base | Commodity | Average | Average |
|--------------------|------------------------|---------------------|------------------|
| Facility Charge | Charge per 1000 gal | Consumption gallons | Customer Bill |
| \$19.00 | \$0.00 | 5,500 | \$19.00 |

Proposed Water Rates & Revenue Schedule – Phase I To Be Implemented 30 Days After Date of Commission Order

| Base | Commodity Average | | Average | |
|--------------------|------------------------|------------------------|------------------|--|
| Facility Charge | Charge per 1000 gal | 00 Consumption gallons | Customer Bill | |
| \$30.00 | \$0.00 | 5,500 | \$30.00 | |

Proposed Water Rates & Revenue Schedule – Phase II

To Be Implemented Over a 5 Year Period – within 42 months of Commission Order

| Base | Commodity | Average | Average |
|----------|-----------------|-------------|----------|
| Facility | Charge per 1000 | Consumption | Customer |
| Charge | gal | gallons | Bill |
| \$23.00 | \$2.50 | 5,500 | \$36.75 |

AREA 6 GOAT ISLAND WATER & SEWER

Current Water Rates & Revenue Schedule

| Base Facility | Commodity Charge per 1000 | Average Consumption | Average Customer |
|------------------|------------------------------|------------------------|---------------------|
| Charge | gal | gallons | Bill |
| \$30.00 | \$0.00 | 5,500 | \$30.00 |

Proposed Water Rates & Revenue Schedule – Phase I To Be Implemented 30 Days After Date of Commission Order

| | Base Facility | Commodity Charge per 1000 | Average Consumption | Average Customer |
|---|------------------|------------------------------|------------------------|---------------------|
| | Charge | gal | gallons | Bill |
| Ī | \$30.00 | \$0.00 | 5,500 | \$30.00 |

Proposed Water Rates & Revenue Schedule – Phase II To Be Implemented Over a 5 Year Period Within 60 Months of Commission Order

| Base | Commodity | Average | Average |
|----------|-----------------|-------------|----------|
| Facility | Charge per 1000 | Consumption | Customer |
| Charge | gal | gallons | Bill |
| \$23.00 | \$2.50 | 5,500 | \$36.75 |

The Applicant does not seek an increase in its monthly sewer charge.

Regarding the Company's sewer services, the Applicant requests the following changes:

| | Current | Proposed |
|-------------------------------------------|----------|------------------|
| Charge for Sewer Collection Only | | \$20.00 per unit |
| | | (residential) |
| | | \$20.00 per SFE |
| | | (commercial) |
| Sewer Tap Fee | \$450.00 | \$500.00 |
| Notification Fee | | \$10.00 |
| Customer Account Charge for New Customers | | \$25.00 |
| Pumping Charge | | \$150.00 |
| Reconnection Charge | | \$250.00 |

The Applicant also seeks approval of a Management Agreement between Goat Island and Professional Irrigation Co. (Timothy P. Oliver and Billie Ann Oliver). The approval date requested for the Management Agreement is the effective date of the Management Agreement, or July 1, 2006. According to the Application, this approval is sought *nunc pro tunc* and is based on the doctrine of *quantum meruit*, because Goat Island has received the benefits of the Management Agreement since the requested approval date.

A copy of the Company's Application can be obtained from the Commission at the following address: Public Service Commission of South Carolina, Docketing Department, P.O. Drawer 11649, Columbia, South Carolina 29211. Additionally, Goat Island's Application is available on the Commission's website at www.psc.sc.gov.

In order for testimony and evidence to be received from all interested parties, a public hearing will be held in the Commission's Hearing Room, Synergy Business Park, 101 Executive Center Dr., Columbia, S.C. on Wednesday, August 27, 2008 at 10:30 a.m.

Any person who wishes to participate in this matter, as a party of record with the right of cross-examination should file a Petition to Intervene in accordance with the Commission's Rules of Practice and Procedure, on or before **June 9, 2008** and indicate the amount of time required for his presentation. Please include an email address for receipt of future Commission correspondence in the Petition to Intervene. *Please refer to Docket No. 2008-142-WS*.

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Any person who wishes to testify and present evidence at the hearing should notify, in writing, the Docketing Department at the address below, the Office of Regulatory Staff, at 1441Main Street, Suite 300, Columbia, South Carolina 29201 and Richard L. Whitt, Austin & Rogers, P.A., 508 Hampton Street, Suite 300, Columbia, South Carolina 29201 on or before **June 9, 2008**, and indicate the amount of time required for the presentation. *Please refer to Docket No. 2008-142-WS*.

Any person who wishes to request a hearing in his or her county of residence should notify on or before July 8, 2008, in writing, the Docketing Department at the address below, the Office of Regulatory Staff, at 1441 Main Street, Suite 300, Columbia, South Carolina 29201 and Richard L. Whitt, Austin & Rogers, P.A., 508 Hampton Street, Suite 300, Columbia, South Carolina 29201. *Please refer to Docket No. 2008-142-WS*.

Any person, who wishes to be notified of any change in the hearing date, but does not wish to present testimony or be a party of record, may do so by notifying the Docketing Department in writing at the address below on or before **June 9, 2008.** *Please refer to Docket No. 2008-142-WS*.

PLEASE TAKE NOTICE: Any person who wishes to have his or her comments considered as part of the official record of this proceeding <u>MUST</u> present such comments, in person, to the Commission during the hearing.

Persons seeking information about the Commission's Procedures should contact the Commission in Columbia at 803-896-5100.

Public Service Commission of South Carolina Attn: Docketing Department Post Office Drawer 11649 Columbia, SC 29211

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